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SC PUBLIC SERVICE COMMISSION

BEFORE

THE PUBLIC SERVICE COMMISSION OF

SOUTH CAROLINA

DOCKET NO. 2014-69-S

IN RE: Application of Palmetto Wastewater Reclamation LLC d/b/a Alpine Utilities and d/b/a Woodland Utilities for adjustment of rates and charges for, and the modification of certain terms and conditions related to, the provision of sewer service.	**REBUTTAL TESTIMONY OF FRED ("RICK") W. MELCHER II**

Q. ARE YOU THE SAME RICK MELCHER WHO HAS SUBMITTED DIRECT TESTIMONY IN THIS MATTER?

A. I am.

Q. WHAT IS THE PURPOSE OF YOUR REBUTTAL TESTIMONY IN THIS DOCKET?

A. The purpose of my rebuttal testimony is to respond on behalf of the applicant, which I will refer to as "PWR" or the "Company," to various issues raised in the direct testimony of the witnesses for the two intervenors in this case, Corley Construction, LLC, doing business as Broad River Carwash and Laundry, and Arch Enterprises, LLC, doing business as McDonalds, and in the direct testimony of Mr. Willie Morgan on behalf of the Office of Regulatory Staff, which I will refer to as "ORS."

Q. WHAT ISSUES RAISED IN THE TESTIMONY OF WITNESSES FOR THE INTERVENORS DO YOU WISH TO ADDRESS?

A. I will respond to the assertions of Mr. Todd Corley and Mr. Chris Valdes that their companies are being required to pay a higher percentage increase than residential customers, that the rate design should be based upon water consumption, and that the use of Regulation 61-67, Appendix A to set rate equivalencies is improper and results in unreasonable charges. Further, with respect to the testimony of Mr. Valdes on behalf of the McDonalds restaurant, I will be addressing his assertion that his company is not realizing a reduction in its charges as a result of the proposed rates. Finally, I will comment on a number of the assumptions and assertions made in the testimony of Mr. Warmath on behalf of both intervenors.

Q. WHAT RESPONSE DO YOU HAVE TO THEASSERTION THAT THE INTERVENORS ARE BEING SUBJECTED TO HIGHER PERCENTAGE INCREASES THAN ARE RESIDENTIAL CUSTOMERS?

A. Both witnesses are incorrect in stating the proposed increase is "unjust and unreasonable" because the percentage increase proposed by PWR's rate application is higher for their businesses than the percentage increase proposed for residential customers in this proceeding.

With respect to the charges to Arch Enterprises, LLC, the proposed rate schedule results in a reduction in its charges from $3,250.90 per month to $1,170.61 per month. It is unclear to me how Mr. Valdes arrived at his conclusion that the proposed monthly charge for his company would become $1,570 and I therefore attach as RM Rebuttal Exhibit 1 a calculation of the current and proposed charges for his company. Regardless, the proposed rate results in a 64% reduction in charges to Arch Enterprises, LLC, and not an increase.

The residential customers' charges for customers served by the Alpine system – as are both intervenors -- will increase from $29 per month to $35.50 per month if the full relief requested is granted. The charges to Corley Construction LLC, which is also served by the Alpine system, will increase from $1,812.50 per month to $2,218.75 per month if the full relief requested is granted. The proposed percentage increase to residential customers served by the Alpine system and to Mr. Corley's company is therefore exactly the same -- 22.42%. Also, I would note that the proposed increase to residential customers served by PWR's Woodland system results in an increase of 47.92% to those customers.

Mr. Corley and Mr. Valdes both appear to be comparing the proposed rates to the old rates that were in effect for Alpine Utilities, Inc., which were increased by the Commission in Docket No. 2012-94-S. This is not an accurate comparison since the currently approved rates are what the intervenors are required to pay. I would also submit that the characterization of the percentage increases resulting from the proposed rates by these intervenor witnesses is particularly inapt where it is indisputable that Arch Enterprises, LLC will realize a substantial reduction in its monthly charges and where the expert witness for the intervenors in this proceeding has suggested that a proper monthly charge for Corley Construction would be $1,672 per month and not the $182 that Mr. Corley uses in his analysis of the percentage increases.

Q. DO YOU AGREE WITH THE ASSERTION OF THE INTERVENORS' WITNESSES THAT THE APPLICATION ITSELF SUPPORTS A RATE DESIGN BASED ON WATER CONSUMPTION?

A. No, I do not. Mr. Corley and Mr. Valdes contend that rates should be designed based upon water consumption because of language they assert appears in the application permitting PWR to review customer water usage records in certain circumstances and thereafter increase customer charges. I believe Mr. Corley's and Mr. Valdes' statements in this regard refer to Section 11 of the proposed rate schedule. This contention reflects an incorrect reading of this rate schedule provision as it simply provides another tool that the utility may use in considering whether a commercial customer's wastewater flow is exceeding the design flow loadings set out in the DHEC guidelines. Increased water consumption may support a determination that actual wastewater discharges are exceeding the design flows or loadings. This contention also fails to recognize that the approved commercial rates are minimum rates. This section of the proposed rate schedule does not establish that rates are set based upon water consumption as these witnesses appear to suggest. I would note further that the contention that water consumption alone somehow equates to the cost of sewer service also fails to recognize that wastewater treatment plant design must account for maximum wastewater flow capacity demands from all types of customers. The relatively higher potential peak demand from commercial customers creates greater costs and therefore warrants a higher charge. And, as noted in the rebuttal testimonies of Mr. Walsh and Mr. Sadler on behalf of PWR, strength of pollutant flow from different customers is also a consideration in determining rates.

Q. WHAT COMMENT DO YOU HAVE ON THE CONTENTION OF THE INTERVENORS' WITNESSES THAT UTILIZING APPENDIX A TO REGULATION 61-67 TO SET CUSTOMER EQUIVALENCIES IS IMPROPER?

A. The intervenors' witnesses misunderstand the role Appendix A plays in setting the rate equivalencies proposed by the application. The contributory loading guidelines set out in that regulation do not project average or actual customer water consumption or wastewater discharges. Rather, they establish a construction standard for capacity required to handle maximum peak demands for various categories of customers. These relative capacity requirements are used by the Company only as a tool to distribute the cost of service among the customer base. This concept is discussed further in the rebuttal testimonies of Mr. Walsh and Mr. Sadler.

Q. WHAT ARE YOUR COMMENTS REGARDING THE TESTIMONY OF MR. WARMATH?

A. Mr. Warmath suggests that his proposed alternative rate design, which would establish rate equivalencies using customer water consumption to estimate customer wastewater discharge, results in just and reasonable rates. Mr. Gary Walsh discusses in his rebuttal testimony why that is not the case. I agree with Mr. Walsh, but wish to add another perspective to his comments, which is to consider the reasonableness of the rate proposed for the intervenors vis-à-vis the rates our residential customers and the intervenors would be charged if they were customers of the City of Columbia. I have attached to my testimony as RM Rebuttal Exhibit 2-A the City of Columbia's sewer service rate ordinance which governs the rates and rate design applicable to customers of Palmetto of Richland County LLC, or "PRC," that Mr. Warmath mentions in his testimony. As the Commission is aware, the City's sewer service rate ordinance is incorporated into the rate schedule that has been approved for PRC. I would note that since the Commission granted that approval, the City has amended its sewer service rate ordinance to raise the monthly rate from $4.93 to $5.32 per 100 cubic feet of water consumed. I have attached to my testimony as RM Rebuttal Exhibit 2-B a certified true copy of the City of Columbia's current sewer service rate ordinance. Also, the City charges a minimum base fee of $10.20, which is based on the size of the customer's water meter. Since PRC is only approved to charge the lower monthly service rate, and the size of the intervenors' water meters is not known to me, my comments that follow assume the lower rate without including a base fee.

A residential customer situated outside the City's territorial limits would have a monthly bill of $50.18 based on the AWWA average monthly water consumption of 7,620 gallons mentioned by Mr. Walsh. I would note that this is about 41% more than a PWR residential customer would be charged under the rate proposed in this proceeding. By contrast, if the McDonalds restaurant was served by the City of Columbia, its sewer bill would be $384.00 based only on its monthly water consumption of 58,272 gallons as testified to by Mr. Warmath. This is approximately 3% more than the monthly rate that Mr. Warmath suggests would be reasonable. If the Corley Construction's carwash and laundromat were served by the City of Columbia, its sewer bill would be $1,721.87 based only on its monthly water consumption of 261,250 gallons as testified to by Mr. Warmath. This is approximately 3% less than the monthly rate that Mr. Warmath suggests would be reasonable.

I believe that these figures illustrate a disconnect that exists between Mr. Warmath's analysis and the determination of a just and reasonable rate by the Commission in a ratemaking proceeding involving a public utility such as PWR. Unlike the City, PWR does not have the ability to generate revenues to support its utility operations through ad valorem taxation. Nor does PWR have the ability to obtain low cost funding through bond issues or other municipal financing techniques that are available to governmental utility systems. Similarly, PWR's properties are not tax exempt like the City's. In fact, PWR's properties are subject to the highest assessment ratio permitted under South Carolina law, 10.5%. And, PWR does not have the ability to discriminate within a customer class and charge different rates to residential customers based upon their geographic location as does the City of Columbia. Yet, under Mr. Warmath's alternative proposal, a rate design that would result in monthly charges to the intervenors that are nearly the same as what they would be charged by the closest governmental utility -- having significant financial advantages and resources unavailable to PWR -- is asserted to be a more equitable approach.

I believe that the foregoing demonstrates that Mr. Warmath's proposed alternative equivalency rate design is greatly influenced by the fact that his experience is deeply rooted in performing rate studies for the governing bodies of governmental entities that are not charged by law with setting just and reasonable rates, have vastly different considerations in determining rates to be charged their customers, and have at their disposal greater resources than investor owned utilities such as PWR. This is another reason why Mr. Warmath's analysis should be rejected by the Commission.

Q. MR. WARMATH ASSERTS THAT THE COST TO TREAT WASTEWATER IS ESSENTIALLY THE SAME FOR MOST CUSTOMERS; DO YOU AGREE WITH THIS ASSERTION?

A. No, I do not. Research indicates that restaurant wastewater flow in particular contains some of the highest levels of biochemical oxygen demand, or "BOD" and fats, oils, and grease, which we refer to as "FOG" among the various customer classes and categories due to significantly higher volumes of detergents and grease being introduced into the collection system through food preparation, cleaning, disinfecting, and dish washing. According to a report made by the City of Scottsdale Arizona in Audit Number 1312, Wastewater Customer Rate Classification Review, which was issued August 9, 2013, "[r]esidential customers have lower impact on the system and are among the lowest rates, while food service-related classifications are among the highest." This report can be found at http://www.scottsdaleaz.gov/Asset49685.aspx.

As I have discussed in my direct testimony, and as shown in the town hall presentations attached to my direct testimony, grease is recognized as both costly to the treatment process and as the major cause of blockages which lead to SSOs. Notwithstanding oil recycling programs in which restaurants may participate and grease trap enforcement programs such as that operated by PWR that has previously been mentioned, restaurants still contribute more FOG to the system than do residential customers. And, just by the nature of their business operations, laundromats and carwashes will have a higher concentration of detergent in their wastewater flows than will residential customers.

Q. WHAT ISSUE IN THE TESTIMONY OF ORS WITNESS MR. MORGAN DO YOU WISH TO ADDRESS?

A. The first issue raised by Mr. Morgan that I would like to address pertains to the number of single family equivalents, or "SFEs," served by PWR and the impact of that number on revenues. As noted in Mr. Morgan's testimony, the Company conducted a further study of its equivalent residential connections which was completed on July 1, 2014. The purpose of this study was to ascertain the impact of changes in our customer base that have occurred since the filing of the application in this matter. In the course of conducting that study, the Company realized that it had made two errors in determining the number of SFEs that were used in the Application exhibits submitted in this matter. I would therefore like to provide the Commission with the current number of SFEs for both the test year and on an as-adjusted basis, which number takes into account the correction of these two errors and the subsequent changes in our customer base. Before I explain the nature and scope of these errors and address the subsequent changes in certain commercial customer operations that bear on our SFE counts, I want to offer the Company's sincere apology to the Commission and ORS for the oversights which led to these errors.

Q. MR. MELCHER, BEFORE YOU EXPLAIN THE NATURE AND SCOPE OF THESE ERRORS, CAN YOU TELL ME WHETHER THEY PERTAIN TO THE SFE COUNTS OR CHARGES UNDER CURRENT OR PROPOSED RATES FOR EITHER OF THE INTERVENORS?

A. No, they do not. While the Company's proposal made by its application to reduce the equivalency rating for cars served by fast-food restaurants at drive-thru facilities reduces the SFE counts and charges for Arch Enterprises, LLC, doing business as McDonalds, the issues raised in Mr. Morgan's testimony do not pertain to it or the other intervenor, Corley Construction, LLC, doing business as Broad River Carwash and Laundry.

Q. WHAT IS THE NUMBER OF SFEs AND REVENUE FIGURES SET OUT IN THE APPLICATION?

A. The application reflects 9,194.14 average SFEs as of the end of the test year, which is the twelve months ended December 31, 2013, and 9,108.09 pro-forma adjusted SFEs. These SFE counts result in test year revenues of $3,019,700 and pro-forma adjusted revenues of $3,880,045 as shown in the application and exclusive of growth-related revenues.

Q. WOULD YOU PLEASE DESCRIBE THE TWO ERRORS YOU HAVE MENTIONED?

A. Yes, I will.

In the test year SFE counts reflected in the application, the Company included 243.50 SFEs for apartment units served by the Woodland system which were calculated based upon the equivalency ratings for apartments derived from the Unit Contributory Loading Guidelines under Appendix A to Regulation 61-67.B, subparts1-3. However, under the proposed rate schedule, apartments are included in the residential rate category and one apartment equals one SFE, which is reflected in the residential multi-family SFE counts contained in the application. These 243.50 SFEs were incorrectly included in the test year SFE counts and, as a result of this error, pro forma revenues were overstated by $103,731.

The second error arose from an improper categorization of 170 multi-family residential SFEs for the Alpine system as commercial SFEs on the Company's books, which was known at the time the application was filed. Although these 170 SFEs were removed from the commercial category for purposes of the test year and the Company's application in this proceeding, inadvertently they were not added back into the residential category. As a result of this error, test year commercial revenues were overstated by $59,160 and test year multi-family residential revenues were understated by $59,160, with total test year revenues being unaffected Pro forma revenues were unaffected by this error.

Q. YOU ALSO MENTIONED A NEED TO RECOGNIZE CHANGES IN THE OPERATIONS OF CERTAIN COMMERCIAL CUSTOMERS SINCE THE APPLICATION WAS FILED; WOULD YOU PLEASE DESCRIBE THESE CHANGES AND THEIR IMPACT ON THE COMPANY'S SFE COUNTS ON A PRO FORMA BASIS?

A. Yes. Subsequent to our filing in this matter, several commercial customers served by the Alpine system have either gone out of business or modified their operations, both of which warrant adjustments to the commercial customer SFE counts. The most notable lost customers include the Kroger grocery store which has closed and thus reduces commercial SFEs by 50.07, a bar and restaurant known as the "Pure Lounge of Columbia" which closed and thus reduces commercial SFEs by 51.00, and the "24/7 Health and Fitness" exercise facility which closed and results in a reduction of 7.25 commercial SFEs. In terms of modified commercial customer operations warranting a change in SFE counts, the most notable of these involves certain food service facilities and operations previously included in the SFE count for the Synergy Business Park which have been changed and thus reduced its previous SFE count by 59.56. Also, the fast-food restaurant previously operated by RBF Enterprises, LLC, changed hands in July of 2013 and a new SFE count based on the number of cars served and seats maintained by the current owner and operator of that restaurant, intervenor Arch Enterprises, LLC, was only recently determined and this resulted in a reduction of 24.05 commercial SFEs. I would note that this latter adjustment is unrelated to the proposed modification to the

Company's rate schedule by which the equivalency factor for cars served by drive-thru facilities is reduced by 75%, from 40 gallons to 10 gallons per car. The SFEs attributable to the food service operations at the Radisson Hotel were reduced by 15.00 to reflect ORS's position that "take-out" meals served by restaurants other than walk-up delicatessens should not be included in equivalency ratings for restaurants. In addition, the total SFEs attributable to one of the service locations owned by the Jimmy Martin Realty Group consisting of two bingo halls, were reduced by 29.19 SFEs s to account for two changes in their operations -- the elimination of food service operations and the addition of seats. The SFEs attributable to our customer Exclusive Bar and Grill were reduced by 1.70, with a change in seat counts for the bar and restaurant components of that operation being the primary factors.

We have only one commercial customer in the Woodland system, which is an elementary school. Due to a reduction in the number of students and faculty at this school, its SFE count is reduced from 47 to 29.55. At the proposed rate of $35.50, this 17.45 reduction in SFEs will result in a reduction in its monthly bill of $78.97.

Q. HAVE THERE BEEN ANY ADDITIONS TO THE COMPANY'S COMMERCIAL CUSTOMER BASE SINCE THE RATE FILING WAS MADE?

A. Yes. KJ's IGA Market grocery store became a customer and this added 16 SFEs.

Q. TAKING INTO ACCOUNT THE COMPANY'S CORRECTION OF THE TWO ERRORS IN DETERMINING THE NUMBER OF SFEs FOR PURPOSES OF THE APPLICATION, AND THE POST TEST YEAR CHANGES IN THE NUMBER AND TYPES OF CUSTOMERS SERVED THAT YOU HAVE

DESCRIBED, WHAT IS THE CORRECT NUMBER OF SFEs AND THEIR EFFECT ON REVENUES?

A. The correct number of average SFEs as of December 31, 2013, was 9,120.64 and the correct number of pro forma adjusted SFEs is 8,688.82. There is no impact on test year revenue of correcting the error in the number of SFEs, while the impact of correcting that error and making the additional pro forma adjustments relating to the loss and addition of customers reduces pro forma revenue by $178,609 at the proposed rate of $35.50.

Q. WHAT ARE THE OTHER ISSUES MENTIONED IN MR. MORGAN'S TESTIMONY THAT YOU WOULD LIKE TO ADDRESS?

A. Mr. Morgan states that PWR failed to pursue collections from commercial customers on a consistent basis, failed to disconnect commercial customers with past due balances, did not bill several commercial customers during the test year and allowed one commercial customer to pay nothing during the test year. Although the statements made by Mr. Morgan are correct, I would like to offer some context for these facts and explain the steps PWR is taking to address these deficiencies. I would hasten to note that the Company's failure to institute timely collections or disconnections – although clearly undesirable – has not been detrimental to our customers in the context of ratemaking as our proposed revenues are adjusted by ORS to impute any lost revenue and disallow any excess uncollectible account percentage resulting from these circumstances.

Q. WOULD YOU PLEASE DESCRIBE THE CIRCUMSTANCES WHICH PROVIDE THE CONTEXT THAT YOU HAVE MENTIONED?

A. Yes. At the time the Alpine Utilities and Woodland Utilities systems were acquired by PWR, no means of disconnection for most service premises existed short of excavating and then permanently capping the sewer line. Subsequent to our acquisition of these systems, the Company modified its agreement with its operations contractor to add a full time, supplemental crew to install elder valves in order to allow disconnection of service premises for any necessary reason, including non-payment by a customer for service. In 2013, 312 new elder valves were installed. To date in 2014, 118 elder valves have been installed and PWR is installing an average of approximately 30 elder valves per month.

Q. DOES THE COMPANY'S ELDER VALVE PROGRAM APPLY TO BOTH RESIDENTIAL AND COMMERCIAL CUSTOMERS?

A. It does, but our focus has been primarily on residential customers rather than commercial. We find that commercial customers are less likely to move or abandon their business. In our experience, residential customers are more prone to moving out of a service premises without requesting a final bill, which often results in an uncollected past due amount and unoccupied service premises.

For commercial customers, our collections efforts have been based more upon face to face communications and setting up payment plans when necessary. This makes sense to us since commercial customers with past due balances, as I have already mentioned, tend to continue in their occupancy of service premises. PWR management personnel are assigned to call on specific commercial customers based on their high outstanding balances. We believe that this effort is less costly than the installation of Elder valves. Where we find that commercial customers have abandoned service premises, we may attempt to collect from the customer entity if it is still in business in another location.

In considering whether an elder valve should be installed at an abandoned commercial service location, PWR determined that the more financially prudent approach would often be to not incur the cost of installing an Elder valve as a new commercial customer would likely eventually move in to the location and set up service. The Company feels that resources are better spent installing elder valves at occupied residential service locations as residential customers tend to be more difficult to collect past due balances from than commercial customers. Also, the number of residential customer service locations outnumbers the number of commercial customer service locations by a factor of 6 to 1. However, elder valves have been installed at three of our Alpine commercial customer premises with particularly large balances. Also, there are now eight "enhanced" grease traps installed at restaurants in the Company's service area which provide PWR the ability to disconnect wastewater service and thereby render installation of an elder valve unnecessary.

Q. HOW WOULD YOUR CHARACTERIZE THE RESULTS OF THE COMPANY'S EFFORTS IN THIS REGARD?

A. We believe that our efforts in this regard have produced reasonable, although not optimal, results. As of May 31, 2014, for commercial customers served by our Alpine system (1) with an outstanding balance over $750, which is our internal standard to implement critical collection efforts, (2) that are still in business, and (3) that are not on a deferred payment plan with Company, PWR only has four customers that have not been disconnected.

Q. WOULD YOU PLEASE EXPAND UPON YOUR DESCRIPTION OF THESE FOUR COMMERCIAL CUSTOMERS AND THE CIRCUMSTANCES REGARDING THE STATUS OF THEIR ACCOUNTS?

A. Yes. One of these was RBF Enterprises, LLC, which, as the Commission is aware, is no longer a customer. PWR plans to pursue collection action against this former customer. Another of these commercial customers is the intervenor Corley Construction, LLC, which, as the Commission is also aware, has a complaint pending against the Company which precludes its disconnection under Commission regulations. A third such commercial customer is a tenant at a shopping center which owes PWR $4,453. This shopping center does not have individual service connections for each of its tenants, but only one service connection for the entire shopping center. To install an elder valve at this service location and disconnect this commercial customer would require substantial expense to excavate through a concrete parking lot and perhaps also require the permission of the landlord. The Company has made the decision that rather than expending capital in this circumstance, direct discussions with the customer in an effort to establish a deferred payment program made more sense. The last of these commercial customers is a laundromat that has an unpaid balance of approximately $17,000. After receiving an explanation from the Company regarding the reasons for an increase in its bill subsequent to the last rate relief order for customers served by the Alpine system, this customer contacted the Governor's office. PWR representatives were requested to and did meet with a member of the Governor's staff to discuss the matter. Thereafter, the customer agreed to a deferred payment plan which it has not honored. Several attempts to contact the customer have been made without success. Therefore, on June 30, 2014, a certified letter was sent to the customer giving notice of the Company's intent to disconnect service. If arrangements for payment are not made on or before August 11, 2014, PWR intends to disconnect this customer location.

Q. WHAT CAUSED THE COMPANY NOT TO BILL CERTAIN COMMERCIAL CUSTOMERS DURING THE TEST YEAR?

A. During the test year, certain commercial customers were not paying bills the Company had issued and it was incorrectly believed that these customers were no longer in operation. Based on this belief, PWR determined not to continue billing charges that it thought were likely uncollectible as this would lead to increased costs and related bad debt expense. During field inspections, PWR discovered that these customers were, in fact, operating at the service premises. These customers were then added back to the current billing register. To the extent there are unresolved past due balances for these customers, the Company will seek to reach deferred payment plan agreements or initiate disconnection in accordance with the Commission's regulations.

Q. DOES THIS CONCLUDE YOUR REBUTTAL TESTIMONY?

A. Yes, it does.

ARCH ENTERPRISES, LLC D/B/A McDONALDS
CURRENT AND PROPOSED BILL CALCULATIONS

CURRENT

Current Rate:	$29 per single family equivalent per month
Current Single Family Equivalents:	112.1
Current Equivalency Factors:	Cars – 1,055.
	(This car count is based upon the figure provided by Arches, LLC of 26,365 cars per month plus a 20% peaking factor. 1,055 cars X 40 gallons = 42,200 gallons)
	Seats – 66 seats X 40 gallons = 2640 gallons.
	(This seat count is based upon inspection by PWR)
Equivalency Calculation:	42,200 gallons + 2,640 gallons = 44,840 gallons 44,840 divided by 400 gallons per SFE = 112.1 SFEs
Monthly Bill:	112.1 SFEs X $29 = $3,250.90

PROPOSED

Proposed Rate:	$35.50 per single family equivalent per month
Proposed Single Family Equivalents:	32.975
Current Equivalency Factors:	Cars – 1,055.
	(This car count is based upon the figure provided by Arches, LLC of 26,365 cars per month plus a 20% peaking factor. 1,055 cars X 10 gallons = 10,550 gallons)
	Seats – 66 seats X 40 gallons = 2640 gallons.
	(This seat count is based upon inspection by PWR)
Equivalency Calculation:	10,550 gallons + 2,640 gallons = 13,190 gallons 13,190 divided by 400 gallons per SFE = 32.975 SFEs
Monthly Bill:	32.975 SFEs X $35.50 = $1,170.61

Sec. 23-149. - Sewer service rates.

(a) *Generally.* Except as otherwise provided by contract, the monthly sewer service charge shall be as follows:

Size of Meter (inches)	In City	Out of City
5/8	$6.00	$10.20
1	6.00	10.20
1½	6.00	10.20
2	9.60	16.32
3	19.20	32.64
4	30.00	51.00
6	60.00	102.00
8	96.00	163.20
10	150.00	255.00

Monthly Water Use (cubic feet)	Monthly Sewer Service Charge	
	In City	Out of City
Each 100 cubic feet	2.90	4.93

(b) *Consumers using water cooling towers for air conditioning.* Consumers using water cooling towers for air conditioning systems shall be given a credit of 30 cubic feet per ton per month during the service periods commencing in the months of April through October. The minimum charge shall be:

Size of Meter (inches)	In City	Out of City
5/8	$9.73	$12.37
1	13.72	18.11
1½	17.70	23.85
2	25.66	35.31
3	41.59	58.25
4	73.44	104.13
6	153.06	218.84
8	216.75	310.60
10	477.50	686.26

(c) *Limitation on charge on single-family residences.* Maximum sewer charge on single-family residences during the service periods commencing in the months of April through October will be 1,400 cubic feet.

(d) *Apartments and trailer parks.* Sewer rates for apartment buildings and trailer parks shall be the base rate of a single-family residence per dwelling unit plus a base fee based on meter connection size plus the rate per 100 cubic feet as reflected by water consumption.

(e) *Hotels, motels, dormitories and roominghouses.* Sewer rates for hotels, motels, dormitories and roominghouses shall be one-half the base rate of a single-family residence per room plus a base fee based on meter connection size plus the rate per 100 cubic feet as reflected by water consumption.

(f) *Contaminated groundwater.* Separate meters for discharges of contaminated groundwater are required. In city or out of city customers discharging contaminated ground water shall pay the out of city base monthly sewer service charge times one and one-half plus the out of city monthly sewer service charge for each 100 cubic feet times one and one-half.

(Code 1979, § 5-4005; Ord. No 94-27, 6-8-94; Ord. No. 97-57, 9-17-97; Ord. No. 98-40, 6-17-98; Ord. No. 2000-042, 6-19-00; Ord. No. 2000-063, 9-6-00; Ord. No. 2005-057, 6-22-05; Ord. No. 2006-046, 11-8-06; Ord. No. 2007-044, 6-27-07; Ord. No. 2008-039, 6-18-08; Ord. No. 2010-089, 6-23-10; Ord. No. 2011-027, 6-21-11; Ord. No. 2012-050, 6-26-12; Ord. No. 2012-077, 8-21-12; Ord. No. 2012-099, 10-16-12)

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5/8	$6.00	$10.20
1	6.00	10.20
1½	6.00	10.20
2	9.60	16.32
3	19.20	32.64
4	30.00	51.00
6	60.00	102.00
8	96.00	163.20
10	150.00	255.00
Monthly Water Use (cubic feet)	Monthly Sewer Service Charge	
	In City	Out of City
Each 100 cubic feet	$3.13	$5.32

(b) *Consumers using water cooling towers for air conditioning.* Consumers using water cooling towers for air conditioning systems shall be given a credit of 30 cubic feet per ton per month during the service periods commencing in the months of April through October. The minimum charge shall be:

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CITY CLERK 7.31.14

(f) *Contaminated groundwater.* Separate meters for discharges of contaminated groundwater are required. In city or out of city customers discharging contaminated ground water shall pay the out of city base monthly sewer service charge times one and one-half plus the out of city monthly sewer service charge for each 100 cubic feet times one and one-half.

(Code 1979, § 5-4005; Ord. No. 94-27, 6-8-94; Ord. No. 97-57, 9-17-97; Ord. No. 98-40, 6-17-98; Ord. No. 2000-042, 6-19-00; Ord. No. 2000-063, 9-6-00; Ord. No. 2005-057, 6-22-05; Ord. No. 2006-046, 11-8-06; Ord. No. 2007-044, 6-27-07; Ord. No. 2008-039, 6-18-08; Ord. No. 2010-089, 6-23-10; Ord. No. 2011-027, 6-21-11; Ord. No. 2012-050, 6-26-12; Ord. No. 2012-077, 8-21-12; Ord. No. 2012-099, 10-16-12; Ord. No. 2013-013, 3-26-13)

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